OCKET SECTION

OFFICE OF THE SECRETARY POSTAL RATE COMMISSION

WASHINGTON, D.C. 20268-0001 FEB // 2 44 FH 193

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSES OF NATIONAL ASSOCIATION OF PRESORT MAILERS WITNESS MACHARG TO INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE

(USPS/NAPM-T1-3-9) (February 11, 1998)

Pursuant to the Commission's Rules of Practice, National Association of Presort Mailers ("NAPM") hereby files and serves the responses of its witness Dennis MacHarg to interrogatories USPS/NAPM-T1-3-9.

Respectfully submitted,

NATIONAL ASSOCIATION OF PRESORT MAILERS

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.

Henry A Hart

February 11, 1998 Alexandria, Virginia

INTERROGATORIES OF THE UNITED STATES POSTAL SERVICE TO NAPM WITNESS MACHARG

USPS/NAPM-T1-3

Did your company comply with the move update requirements as of July 1, 1997? Did all other presort bureaus comply as of July 1, 1997? Are there currently presort bureaus who have expressed an intention to use the Fast Forward option for compliance, but which are not now in compliance? Please indicate the number of presort bureaus you know to fit this description.

RESPONSE

My company did not comply with the move update requirements as of July 1, 1997. To my knowledge, other presort bureaus did not comply with the move update requirements as of July 1, 1997, since the manufacturers were given an extension ultimately until December 31, 1997. I have no knowledge of any presort bureaus that are not in compliance with move update requirements.

USPS/NAPM-T1-4.

Please confirm that before the move update requirements were mandatory, there was significant voluntary use of ACE, ACS and NCOA by First-Class presort mailers?

RESPONSE

I cannot confirm that there was <u>significant</u> voluntary use of ACE, ACS and NCOA by First Class presort mailers before move update requirements were mandatory.

USPS/NAPM-T1-5.

What is the basis for your claim that volumes processed through Fast Forward will "be free of most all forwarding costs to the USPS" as you indicate at page 2, lines 21 to 23?

RESPONSE

The whole purpose of Fast Forward is to pick up an incorrect address, match it to a corrected address, and correct the mail piece before it is entered into the USPS mail stream, thereby avoiding the need for any forwarding costs for such piece. While I understand that this system is not currently capable of making a perfect match for every piece which may not bear a correct address, USPS officials speaking at the December 5, 1997 Multi-Line Users Group Meeting at the Mailers' Council Meeting in Orlando, Florida were very enthusiastic about the effectiveness of the Fast Forward System.

USPS/NAPM-T1-6.

- (a) What percentage of presort bureaus currently use the Fast Forward option to comply with the move update requirement?
- (b) On what percentage of their MLOCRs do these presort bureaus currently use the Fast Forward option to comply with the move update requirement?

RESPONSE

(a) & (b) I do not know the precise percentage of presort bureaus currently using the Fast Forward option to comply with move update requirements, but USPS officials at the December 5, 1998 Mailers' Council Meeting in Orlando, Florida reported that of approximately 600 MLOCRs in current use, the USPS had granted Fast Forward licenses for 123 machines, and had applications pending for 114 more.

USPS/NAPM-T1-7.

What percentage of presort bureaus intend to use the Fast Forward option to comply with the move update requirement?

RESPONSE

I do not have information on what percentage of presort bureaus, as opposed to what percentage of all mailers of automated FCLM intend to use the Fast Forward option to comply with the move update requirement. However, as noted in my response to USPS/NAPM-T1-6, I understand that as of December 5, 1997, 237 of 600 existing MLOCRs were licensed for Fast Forward or were the subject of a pending application for a license of Fast Forward.

USPS/NAPM-T1-8.

- (a) Of commercial mailers which use MLOCRs to prepare their own presort First-Class Mail, what percentage currently use the Fast Forward option to comply with the move update requirement?
- (b) Of commercial mailers which use MLOCRs to prepare their own presort First-Class Mail, on what percentage of their MLOCRs do these mailers currently use the Fast Forward option to comply with the move update requirement?

RESPONSE

(a)&(b) See response to USPS/NAPM-T1-6 and 7.

USPS/NAPM-T1-9

What percentage of commercial mailers which use MLOCRs to prepare their own presort First-Class Mail intend to use the Fast Forward option to comply with the move update requirement?

RESPONSE

See response to USPS/NAPM-T1-6 and 7.

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Declaration

I, Dennis Mac Harg, declare under penalty of perjury that the following answers are true and correct, to the best of my knowledge, information and belief.

Dennis Mac Harg

2-10-98

Date

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